

Maintaining Momentum

A partnership approach to improving financial education in Scottish schools

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Contents

Foreword	5
Introduction	7
Embedding Financial Education in Curriculum for Excellence	8
The Role of Key Stakeholders in Supporting the Vision	9
Scottish Government	9
Consumer Financial Education Body	9
Learning and Teaching Scotland	10
Scotland's Colleges	11
Local authorities and other community services	11
Financial services sector	12
Other stakeholders	12
Conclusion	14



Foreword



The development of financial capability has an important role to play in helping schools and other educational settings prepare every young person to meet the economic challenges they will face in their future lives.

It is recognised that there is good practice in financial education in Scottish schools. However, this must be widened, not least because the current economic climate means that the need for high quality financial education has never been greater. The partnership approach outlined in this document aims to make sure that the significant momentum generated in this area of the curriculum will continue. These partnerships, not just across the education and financial services sectors but also the cultural and voluntary sectors, have been essential in establishing financial capability as a key theme in *Curriculum for Excellence*.

This document also aims to further enhance the status and profile of financial education by demonstrating how a variety of partnerships may be developed amongst a wide range of stakeholders. These partnerships will support the work of local authorities, schools and teachers and provide high quality financial education for all our young people. This approach will help develop key skills for learning, life and work within the context of a changing economic, social, political and environmental landscape, which provides challenges now and in the future.

At Learning and Teaching Scotland we have been delighted with the success of partnership working in this area of the curriculum. Developing financial capability in our young people and making the connections to future employability will benefit all sectors of the Scottish economy.

Bernard McLeary

Chief Executive, Learning and Teaching Scotland



Introduction

Following the publication of an evaluation into financial education¹ in October 2009 the Cabinet Secretary for Education and Lifelong Learning announced that a 'partnership team' would be set up 'to address the research report's recommendations and to produce a delivery plan that will drive forward financial education improvements'. The outcome of this delivery plan would be that 'good quality financial education is delivered to every pupil in every school in Scotland through the new numeracy curriculum'. The 'strategic partnership approach' outlined in this paper is an integral part of the overall delivery plan, as is the *Financial Education Framework* document, *Financial Education – Developing skills for learning, life and work*,² which has been produced to assist schools and centres to embed financial education within *Curriculum for Excellence*.

It has been widely recognised that much has been done to embed financial education in the curriculum. However, the partnership team identified a number of developments that will build on the good work of the wide range of organisations currently involved in financial education. They already share an agenda focusing on the need for all children and young people to be given appropriate opportunities to develop their financial capability. The priorities for all partners in taking forward the delivery plan will be to:

- maintain the momentum generated in this area of the curriculum
- focus on financial education as part of numeracy across learning
- make lessons and programmes of study relevant to real life
- involve stakeholders at every stage of the process
- improve and widen professional learning opportunities for teachers in the area of financial education.

This plan should provide the strategic guidance required to ensure that all Scotland's children and young people receive a high quality financial education.

The following stakeholders and partners have been identified as having a significant role in bringing about these improvements in financial education:

- Scottish Government
- Consumer Financial Education Body
- Learning and Teaching Scotland (LTS)
- Scotland's Colleges
- Local authorities and other community services
- Financial services sector including the credit unions
- Others, including parents.

1 www.scotland.gov.uk/Resource/Doc/259782/0077311.pdf

2 For more information see *Financial Education – Developing skills for learning, life and work*, www.LTScotland.org.uk

Embedding Financial Education in Curriculum for Excellence

In order to improve the quality and quantity of financial education in Scottish education establishments, LTS, in partnership with a wide range of stakeholders, has produced the associated *Financial Education Framework* document outlining how financial education can be taken forward as an essential part of numeracy across learning. The framework document is the second strand in the overall delivery plan for improving financial education. The vision for financial education in Scotland is that:

- all children and young people develop the key financial skills to be successful both now and in the future
- financial education is embedded in *Curriculum for Excellence* as part of numeracy across learning and that it provides a relevant context to develop the skills for learning, life and work
- it helps children and young people to develop the four capacities of *Curriculum for Excellence*, particularly in becoming responsible citizens and effective contributors to society.

The delivery plan that includes this partnership approach to maintaining momentum and the accompanying framework document for schools should ensure that schools in Scotland move towards this vision.



The Role of Key Stakeholders in Supporting the Vision

Scottish Government

Financial education can make a major contribution to the Scottish Government's ambition to make Scotland a better place to live and a more prosperous and successful country. A number of directorates in the government have an interest in the development of financial capability, including those with responsibility for lifelong learning, financial inclusion and economic development. It is therefore of critical importance that by working together and in partnership with others, the government continues to provide political and strategic leadership.



Consumer Financial Education Body

Until earlier this year the Financial Services Authority (FSA) had the remit for developing financial capability across the United Kingdom. Following a reorganisation of the FSA the new Consumer Financial Education Body (CFEB) has been established. CFEB is an independent body, established by the Financial Services Authority as required by the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2010).

CFEB is responsible for helping consumers understand financial matters and manage their finances better. It is anticipated that this new organisation will support the delivery plan as an active partner, maintaining the momentum generated by the funding provided to organisations such as Learning and Teaching Scotland.

Learning and Teaching Scotland

A key part of the delivery plan is the publication of the framework document by LTS to help embed financial education within numeracy across learning in the context of *Curriculum for Excellence*. LTS will continue to work in partnership with other stakeholders, especially those in the financial services sector. The focus of this work will be to:

- maintain the status and profile of financial education
- improve the confidence and competence of teachers to deal with the issues.

LTS will have a key co-ordinating role through organising and managing a Scottish Financial Education Forum that will have representation from a wide range of organisations. This group will meet three times per year and the remit will be to:

- act as an information and ideas sharing forum
- provide advice and support for future developments
- make connections to the work of the National Numeracy Network
- develop and promote the Scottish approach to financial education
- build capacity and develop professional confidence.

LTS will also lead on national developments in financial education for adults and young people outside school. Initial work is being undertaken by its Communities Team to identify and promote good practice in learner engagement, learning and teaching, and partnership working.



Scotland's Colleges

Scotland's Colleges exists to support, represent and promote Scotland's 43 colleges, which are at the forefront of lifelong learning, education, training and skills. The importance of the development of financial capability in this sector has been acknowledged, as has the importance of transition between school and college.

Local authorities and other community services

The role of the local authorities is central in ensuring that improvements in financial education take place, building on the excellent work already being carried out across Scotland. They also have an opportunity to show political, strategic and operational leadership in this area of the curriculum. Supporting the dissemination and implementation of the framework document will be an important aspect of the work of local authorities.



A number of authorities have helped bring about real improvements in this area of the curriculum. Successes have included 'Money Weeks' held across local authorities, clusters and learning communities as well as in individual schools and educational establishments. This has encouraged inter-agency working including a co-ordinated approach involving different departments within local authorities. A rolling programme of curriculum and professional development for teachers should be initiated to build their confidence and competence in dealing with financial issues. The aim of this programme is to build capacity within local authorities and schools.

Local authority community planning partnerships also have a role in embedding financial education across whole communities, with a particular emphasis on developing financial capability in learning situations outside and beyond school.

The link between poor financial management and stress-related illness is well established. *Curriculum for Excellence* has established the principle that every teacher is responsible for numeracy, literacy and aspects of health and wellbeing. The connections made between poor health, unemployment and financial exclusion mean that organisations in the health sector could be key partners in improving the financial capability of the Scottish population.

Financial services sector

The role of the private sector

A number of Scotland's financial service companies have made a significant contribution to the financial education of Scotland's children and young people. In addition, they are involved in supporting the development of skills for employability, working with a number of local authorities and schools. It is important that they continue to support this work in schools through their 'education industry link' activities, volunteering schemes and supporting the development of new resources for learning and teaching when needs are clearly identified. Through this work they make a contribution to the continuing professional development of teachers. It should be emphasised that the financial services sector benefits in a variety of ways from giving this support both in the medium term and long term, not least in meeting many of their objectives in the area of corporate responsibility.

Credit unions

One of the key political drivers behind financial education is the need to support the financial inclusion agenda. Credit unions are in a position to work with schools to provide a first 'financial service', particularly for young people in less affluent communities. A number of schools have established savings schemes and a number of credit unions provide education industry link opportunities for young people, including offering them work experience.

Other stakeholders

The Strategic Review Group recognises that engagement with all stakeholders is critical and will be improved as the delivery plan is implemented. Further development of the LTS website, identification and dissemination of good practice, and ensuring involvement and engagement of all stakeholders will provide very important support for staff.

The stakeholders include:

- **Parents**

Working with parents locally and nationally will include partnership working with the Scottish Parent Teacher Council and the Scottish Parent Forum Network.

- **Organisations which provide learning opportunities for young people outside and beyond school**

This would include among others Scotland's Colleges, Community Learning and Development in local authorities, Young Scot and third/voluntary sector organisations.

- **Advice agencies – Citizens Advice Bureau and Money Advice Scotland**

Making the connections to other advice and information agencies is important in the overall strategy for developing financial capability and tackling exclusion.

- **Initial teacher education**

A focus on 'financial capability' at the initial teacher education stage will have a number of benefits including the improved financial capability of new teachers and the recognition of financial education as a key theme within numeracy across learning.

- **Scottish Qualifications Authority (SQA)**

Many secondary schools recognise the importance of qualifications in this area of the curriculum. SQA is currently reviewing its qualifications and arrangements to further support the development of financial capability in schools and educational establishments in Scotland.

- **Local businesses**

A number of small and medium-sized companies are key stakeholders in financial education. Many have already supported schools running 'Money Weeks'. By working with employers, learners gain transferable skills, confidence and abilities to become entrepreneurs, employers and employees of the future.

- **Office of Fair Trading**

Its role is to make markets work well for consumers. It achieves this by promoting and protecting consumer interests throughout the UK, while ensuring that businesses are fair and competitive.

As mentioned previously, many of these organisations will be represented on the Scottish Financial Education Forum, which will support partnership working to support financial education in Scotland's schools.

Conclusion

The implementation of this partnership approach in the context of *Curriculum for Excellence* is fundamental in bringing about the improvements required in financial education. It is essential that schools help young people keep track of their finances and make ends meet. Young people must appreciate that using inappropriate forms of credit can be very expensive. They should take more time to shop around for products and services and should question providers in order that they get 'value for money'. Planning ahead, not just for pensions, but also for the challenges that lie ahead when they move on from formal education towards 'independent living' is a skill that all young people must develop. Finally, they must take a greater interest in the economic, financial and political world in which we live if they are to become 'financially capable'. Schools working in partnership with a wide range of partners can make this vision a reality.

As outlined in this document, the number of stakeholders is extensive and it is essential that the momentum that has been built up in financial education is not lost. It is in everyone's interest that all Scotland's children and young people become more financially capable and all of the organisations and stakeholders involved share that responsibility.



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